

## Message Text

UNCLASSIFIED

PAGE 01 PORT M 00725 01 OF 02 170739Z POSS DUPE  
ACTION EA-12

INFO OCT-01 ISO-00 SS-15 SP-02 NSC-05 SIG-03 MMO-04  
EB-08 CA-01 OC-06 TRSE-00 OES-07 COME-00 PER-05  
ICA-20 PC-05 PM-05 INR-10 CIAE-00 DODE-00 NSAE-00  
FBOE-00 A-01 ABF-01 /111 W  
-----124960 182337Z /65

R 170410Z MAY 78  
FM AMEMBASSY PORT MORESBY  
TO SECSTATE WASHDC 3274

UNCLASSIFIED SECTION 1 OF 2 PORT MORESBY 0725

E.O. 11652: N/A  
TAGS: OGEN PP  
SUBJECT: FY 80 GORM RESPONSE

REF: STATE 063477, 77 STATE 291277

1. PAPUA NEW GUINEA  
PACKAGE III (ONLY TWO PACKAGES SUBMITTED)  
ACTIVITY DESCRIPTION.  
ALL ACTIVITIES CURRENTLY CONDUCTED BY THE EMBASSY WOULD BE  
CONTINUED IN SUPPORT OF THE AGREED THREE MAJOR POLICY  
GOALS AND OBJECTIVES.  
RESOURCE REQUIREMENTS

	FY 78	FY 79		FY 80
			THIS PKG ONLY	CUMUL.
US OFFICERS	5	5	-	5
US STAFF	3	3	-	3
FSL'S	8	8	-	8
TOTALS	16	16	-	16

WHILE ALL CURRENT ACTIVITIES COULD BE CONTINUED AT THIS  
RESOURCE LEVEL, ANTICIPATED INCREASES IN THE NUMBER OF  
BUSINESS VISITORS, THE RISING VOLUME OF INCOMING CABLE  
TRAFFICE, THE IMPLEMENTATION OF THE FADCP SYSTEM LATER  
THIS YEAR, AND THE INCREASING NUMBER OF U.S. OFFICIAL  
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VISITORS TO PAPUA NEW GUINEA WILL STRETCH OUR RESOURCES  
TO THE BREAKING POINT. MORESBY IS STILL A NEW POST  
(OPENED 1974) AND ITS WORKLOAD HAS NOT YET REACHED A  
PLATEAU. FURTHER, THE INDEPENDENCE OF THE SOLOMON  
ISLANDS (JULY 7, 1978) WILL REQUIRE US TO DEVOTE  
INCREASING TIME TO SI ACTIVITIES AS THIS POST IS RESPONSIBLE  
FOR REPORTING, CONSULAR SERVICES, TRADE PROMOTION AND

GOVERNMENT TO GOVERNMENT RELATIONS WITH THE SOLOMONS.  
ADDITIONAL TRAVEL TO THE SOLOMONS IS HIGHLY DESIRABLE.  
STATE PROGRAMS AND ACTIVITIES OTHER THAN PERSONNEL  
COMPENSATION.

THE MAJOR ITEMS IN OUR BUDGET (OTHER THAN SALARIES) ARE  
RENTAL FOR OFFICE AND RESIDENTIAL SPACE, AND THE MAINTENANCE  
AND IMPROVEMENTS TO THIS SPACE, MOST OF WHICH WILL BE  
RETAINED BY THE USG FOR ONLY THE SHORT TERM. A PROPERTY  
ACQUISITION PROGRAM WOULD BE THE GREATEST ECONOMY THE  
DEPARTMENT COULD UNDERTAKE AT THIS POST. LANDLORDS HERE  
SET THE RENTS AT A LEVEL WHICH WILL PAY OFF THE ORIGINAL  
INVESTMENTS IN FIVE YEARS; SOMETIMES IN FOUR YEARS. OUR  
RESIDENTIAL RENTALS CURRENTLY TOTAL \$96,000 PER YEAR, AND  
MAINTENANCE AND IMPROVEMENTS TOTAL \$16,217 PER YEAR.  
REPRESENTATION IS ONLY \$8,500. EXPENDITURE ON THE  
COMMERCIAL LIBRARY WAS ONLY \$1,850 IN FY 78. FIELD  
TRAVEL IS EXPENSIVE IN PNG, AND WE ARE SPENDING \$30,000  
FOR THAT ITEM FOR FY 78, INCLUDING TRAVEL TO THE SOLOMON  
ISLANDS WHICH MUST BE STEPPED UP WITH INDEPENDENCE.  
POSSIBLE ECONOMIES.

IF WE ALLOCATE BELOW FY 78 FUNDING (ADJUSTED FOR INFLATION)  
THE RIGIDITIES IN RENTAL COSTS WOULD FORCE DRASTIC  
REDUCTIONS IN OTHER OPERATING EXPENSES, TO THE DETRIMENT  
OF OUR OPERATION. IN ADDITION TO INFLATION WE ARE  
FACED WITH THE REPEATED UPWARD REVALUATION OF THE KINA  
AND THE WEAKENING OF THE DOLLAR. A SEVERE CURTAILMENT IN  
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ADMINISTRATIVE OPERATION AND TRAVEL WOULD RESULT, AS WE  
COULD MAKE ONLY MINISCULE REDUCTION IN EXPENDITURES ON  
SUCH ITEMS AS THE COMMERCIAL LIBRARY AND EQUIPMENT.  
IF EXPENDITURE CONTINUES AT CURRENT OPERATING LEVELS  
(ADJUSTED FOR INFLATION) WE WOULD BE SERIOUSLY PRESSED  
ON SUCH THINGS AS FOLLOWING DEVELOPMENTS IN THE SOLOMON  
ISLANDS. WITH THE DECISION THAT THE SOUTH PACIFIC  
REGIONAL FISHERIES AGENCY WILL BE LOCATED IN HONIARA,  
SOLOMON ISLANDS, IT WILL BE ESSENTIAL THAT WE SHOULD  
TRAVEL TO THE SOLOMON ISLANDS MORE FREQUENTLY THAN IN  
THE PAST.

IF WE INCREASED OUR EXPENDITURES WE WOULD BE ABLE TO  
PLACE GREATER EMPHASIS ON OUR TRADE PROMOTION EFFORT  
WHICH IS CURRENTLY VERY PROMISING. OPPORTUNITIES FOR  
EXPANDING U.S. EXPORTS TO PNG ARE ENCOURAGING, AND THE FY 74/75  
LEVEL (\$40 MILLION) COULD EASILY BE INCREASED  
SHARPLY IN A FEW YEARS.

IF WE COULD ACQUIRE TERPS EQUIPMENT, OUR CRO WOULD HAVE  
TIME TO ASSIST WITH OTHER ADMIN WORK, THUS EASING THE  
BURDENS OF THE HARD-PRESSED ADMIN OFFICER.

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FBOE-00 A-01 ABF-01 /111 W  
-----023274 182338Z /65

R 170410Z MAY 78  
FM AMEMBASSY PORT MORESBY  
TO SECSTATE WASHDC 3275

UNCLAS SECTION 2 OF 2 PORT MORESBY 0725

## 2. PAPUA NEW GUINEA

PACKAGE IV (ONLY TWO PACKAGES SUBMITTED)

### ACTIVITY DESCRIPTION.

ALL ACTIVITIES CURRENTLY CONDUCTED BY THE EMBASSY WOULD  
BE CONTINUED IN SUPPORT OF THE THREE MAJOR POLICY GOALS  
AND ACTIVITIES AND WE WOULD BE ABLE TO EXPAND OUR TRADE  
PROMOTION EFFORT AND EASE THE ADMINISTRATIVE PRESSURES AND  
PROBLEMS NOW BUILDING UP.

### RESOURCE REQUIREMENTS.

	FY 78	FY 79	FY 80
			THIS PKG ONLY CUMUL.
US OFFICER	5	5	- 5
US STAFF	3	3	- 3
FSL'S	8	8	2 10
TOTALS	16	16	2 18

WE WILL NEED AN ADDITIONAL FSL IN THE ADMINISTRATIVE  
SECTION TO COPE WITH THE GROWING B&F WORK RESULTING FROM  
THE IMPLEMENTATION OF THE FADCP SYSTEM LATER THIS YEAR  
AND FROM THE GROWING GENERAL ADMIN WORKLOAD. WE WILL  
HAVE TO ASSUME CERTAIN FUNCTIONS NOW PERFORMED BY EMBASSY  
CANBERRA BECAUSE THE SLOWNESS OF MAIL SERVICE WITH  
BANGKOK WILL DELAY THE PAYMENT OF OUR BILLS SERIOUSLY,  
AND OUR ESSENTIAL SERVICES (ELECTRICITY, WATER, TELEPHONE,  
ETC.) WILL BE CUT OFF. (THIS OCCASIONALLY OCCURS NOW,  
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BUT IT WILL BE A FREQUENT PROBLEM IF WE DO NOT GET A

B&F LOCAL EMPLOYEE.)

ONE ADDITIONAL LOCAL IN THE E/C SECTION WOULD ENABLE US TO EXPAND OUR TRADE PROMOTION EFFORT BY MORE ACTIVELY SEEKING GOVERNMENT TENDERS AND OTHER MAJOR PROJECTS. THE FIRST U.S. TRADE EXHIBIT, WITH ONLY 30 EXHIBITORS, DID \$2 MILLION IN ACTUAL AND POTENTIAL SALES IN THREE DAYS. THE OPPORTUNITIES FOR TRADE EXPANSION LEAD US TO BELIEVE THAT THE ADDITION OF ONE FSL E/C ASSISTANT WOULD PAY HANDSOME DIVIDENDS.

### 3. EVALUATION OF GOALS, OBJECTIVES AND RESOURCE MANAGEMENT.

#### A) OTHER AGENCIES

##### 1) ICA - PORT MORESBY.

ICA ACTIVITY FULLY SUPPORTS THE MISSION'S APPROVED POLICY GOALS, OBJECTIVES AND ESSENTIAL ACTIVITIES. ANY REDUCTION IN ICA ACTIVITIES HERE WOULD HAVE A SERIOUSLY DELETERIOUS EFFECT ON MISSION OBJECTIVES.

##### 2) PEACE CORPS - SOLOMON ISLANDS.

THE DEPARTMENT HAS NOT PREPARED USG GOALS AND OBJECTIVES IN THE SOLOMON ISLANDS. HENCE IT IS IMPOSSIBLE FOR US TO FOCUS ON HOW AND TO WHAT EXTENT PEACE CORPS ACTIVITIES RELATE TO THE MISSION'S APPROVED POLICY GOALS, OBJECTIVES AND ESSENTIAL ACTIVITIES. BROADLY SPEAKING, HOWEVER, WE BELIEVE THAT THE PEACE CORPS PERFORMS A USEFUL FUNCTION IN THE SOLOMONS. IT PROVIDES NEEDED EXPERTISE FOR ECONOMIC DEVELOPMENT OF THE SOLOMONS AND IT ENHANCES THE U.S. IMAGE.

### 4. ACTIVITIES LEAST IMPORTANT TO ACHIEVEMENT OF US GOALS.

OUR PROGRAM ACTIVITY IS VERY LIMITED AS MOST OF OUR TIME IS DEVOTED TO NORMAL DIPLOMATIC ACTIVITY AND STATUTORY REQUIREMENTS. IN ORDER TO COMPLY WITH THE INSTRUCTION, UNCLASSIFIED

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HOWEVER, THE ACTIVITIES FALLING WITHIN THE 10 PERCENT LEAST IMPORTANT TO THE ATTAINMENT OF MISSION GOALS ARE RANK ORDERED BELOW:

GRAPHICS COORDINATION

MAPS AND PUBLICATIONS PROCUREMENT

LIBRARY OUTREACH PROGRAM

MILITARY AIRCRAFT CLEARANCES, ESPECIALLY  
OVERNIGHT STOPS

PLBRL

OLMSTED

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
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**Disposition Comment:**  
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**TAGS:** OGEN, PP  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014